

# **HITACHI**

## **Inspire the Next**

**HITACHI VANTARA LLC**

### **CALIFORNIA VOLUNTARY DISABILITY AND PAID FAMILY LEAVE BENEFIT PLAN**

Effective Date of Plan: January 15, 1980

The provisions of this Plan restatement are effective for Disability and Paid Family Leave benefit periods commencing on or after January 1, 2025.

HITACHI VANTARA LLC

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PAID FAMILY LEAVE BENEFIT PLAN

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**I. DEFINITIONS**

- A. "Bond" or "Bonding" with a New Child means to develop a psychological and emotional attachment between the Child and the employee. This includes being in one another's physical presence.
- B. "Calendar Quarter" means a period of three (3) consecutive months commencing with the first day of January, April, July or October.
- C. "Care Provider" means either (i) the Family Member who is providing the required care for a Serious Health Condition, (ii) the Family Member who is Bonding with the New Child; or (iii) the employee who is participating in a Qualifying Exigency.
- D. "Care Recipient" means either (i) the Family Member who is receiving care for a Serious Health Condition, (ii) the New Child with whom the employee is Bonding or (iii) the Family Member who is receiving assistance or the employee who is participating in a Qualifying Exigency.
- E. "Care Recipient Period" means all periods of Paid Family Leave (PFL) that an employee takes within a Twelve-month Period to care for the same Care Recipient.
- F. "CCR" means the California Code of Regulations.
- G. "Child" means a biological, adopted, or foster child, a stepchild, a legal ward, a son or daughter of a Registered Domestic Partner, or a son or daughter of an employee who stands in loco parentis to that child.
- H. "CUIC" means the California Unemployment Insurance Code.
- I. "Disability" means, on any day or portion of a day, a covered employee:
  - 1. becomes unable to perform his or her regular or customary work by reason of any physical or mental illness or injury, including pregnancy, childbirth or related medical conditions; or
  - 2. has been ordered not to work by written order from a state or local health officer because he or she is infected with, or suspected of being infected with, a communicable disease.

Subject to the limitations and provisions hereinafter stated, an employee will be considered to have sustained a Disability if he or she has been referred or recommended by competent

medical authority to participate as a resident in either an approved alcoholism recovery program or an approved drug-free residential program, or to participate in an approved outpatient program for the treatment of drug or alcohol abuse which requires attendance for a minimum of five (5) days per week for a minimum of eight (8) hours per day.

- J. "Disability Benefit Period" means a continuous period of unemployment and Disability beginning with the first day with respect to which a covered employee files a valid claim for benefits.

Two (2) consecutive periods of Disability due to the same or related cause or condition and separated by a period of not more than sixty (60) days will be considered one Disability Benefit Period.

- K. "Domestic Partner" has the same meaning as defined in Section 297 of the California Family Code.

- L. "Earnings" means (i) base pay, or (ii) with respect to select sales employees, benefit target compensation in effect on the date immediately preceding the onset of the Disability or PFL Benefit Period. Bonuses, commissions, differentials, overtime and other forms of additional compensation are excluded.

- M. "Employer" means Hitachi Vantara LLC.

- N. "Family Member" means Child, Parent, Parent-in-law, Grandparent, Grandchild, Sibling, Spouse, or Registered Domestic Partner as defined in this section. For Qualifying Exigency, "Family Member" means a Spouse, Domestic Partner, Child, or Parent who is a member of the regular Armed Forces of the United States.

- O. "Grandchild" means a Child of the employee's Child.

- P. "Grandparent" means a Parent of the employee's Parent or Parent-in-law.

- Q. "Hospital" means an institution with organized facilities for diagnosis and surgery, and twenty-four (24) hour nursing services for the care and treatment of sick or injured persons. Such institution must be licensed as a hospital pursuant to the statutes or laws of the state or foreign country in which it operates unless such state or foreign country does not have statutes or laws concerning requirements for licensing hospitals.

- R. "Hospital Confinement" means confinement as a registered bed patient in a Hospital for a twenty-four (24) hour period, or any part thereof, for which the employee is charged a full day's rate for room and board.

- S. "New Child" means a minor child for whom leave is taken for the purposes of Bonding within twelve months of the child's birth or placement with the employee or the employee's Spouse or Registered Domestic Partner.

- T. "Paid Family Leave" or "PFL" means a covered employee is unable to work because he or she must provide care to a sick or injured Family Member, wishes to Bond with a New Child, or is participating in a Qualifying Exigency.

- U. "Parent" means a biological, foster or adoptive parent, a stepparent, a legal guardian, or other person who stood in loco parentis to the employee when the employee was a child.
- V. "Parent-in-law" means the Parent of the employee's Spouse or Domestic Partner.
- W. "PFL Benefit Period" means a period of unemployment beginning with the first day with respect to which a covered employee files a valid claim for PFL benefits.

Periods of PFL for the same Care Recipient within a Twelve-month Period will be considered one PFL Benefit Period. (This is also known as a Care Recipient Period.)

For purposes of determining coverage, a Disability Benefit Period related to childbirth and a period of PFL associated with the birth of that Child will be considered one Disability Benefit Period.

- X. "Physician" means a physician or surgeon holding an MD or DO degree, Psychologist, optometrist, dentist, podiatrist, or chiropractic practitioner who is licensed or certified by the state or foreign country in which he or she practices and is acting within the scope of his or her practice.
- Y. "Plan" means this plan that is a Voluntary Plan established pursuant to Part 2 of the CUIIC relating to unemployment compensation disability benefits and family temporary disability benefits.
- Z. "Practitioner" means a person duly licensed or certified by the state or foreign country in which he or she practices, acting within the scope of his or her license or certification who is a Nurse practitioner or Physician assistant (provided the physician assistant has performed a physical examination and collaborated with a Physician or surgeon). With regard to Disability resulting from pregnancy, childbirth, or postpartum conditions, Practitioner will also include a midwife, Nurse Practitioner, or nurse midwife acting within the scope of his or her practice. "Nurse Practitioner" means a licensed nurse practitioner who has completed a transition to practice in the state of California for a minimum of three (3) full-time equivalent years of practice or 4,600 hours.
- AA. "Psychologist" means a licensed psychologist with a doctoral degree in psychology and who either (i) has at least two (2) years of clinical experience in a recognized health setting, or (ii) has met the standards of the National Register of the Health Services Providers in Psychology.
- BB. "Qualifying Exigency" means time off to assist a Family Member deployed to a foreign country on active military service for reasons including, but not limited to, the following: short-notice deployment; attendance in an official ceremony; attendance in a family support program sponsored by the military; arranging or providing childcare; transferring a Child to a new school; making or updating financial or legal arrangements; attending counseling; accompanying the Family Member while he or she is on short-term rest and recuperation leave; or, attending arrival ceremonies.
- CC. "Serious Health Condition" means an illness, injury, impairment, or physical or mental condition that involves inpatient care in a hospital, hospice, or residential health care facility, or continuing supervision by a health care provider, as defined in Section 12945.2 of the California Government Code.

DD. "Sibling" means a person related to the employee by blood, adoption, or affinity through a common legal or biological Parent.

EE. "Spouse" means a partner to a lawful marriage.

FF. "State" means the State of California.

GG. "State Disability Fund" means the fund established pursuant to Part 2 of the CUIC.

HH. "State Plan" means the benefits payable from the State Disability Fund pursuant to Part 2 of the CUIC.

II. "State Rate" means the weekly and maximum benefit payable as determined by the California Employment Development Department (EDD). The EDD uses the following criteria:

<i>If the claim begins in:</i>	<i>The "Base Period" is the twelve-month period ending the prior: prior:</i>
Jan/Feb/Mar	September 30 <sup>th</sup>
Apr/May/Jun	December 31 <sup>st</sup>
Jul/Aug/Sep	March 31 <sup>st</sup>
Oct/Nov/Dec	June 30 <sup>th</sup>

When the amount of wages paid during the highest quarter of the base period is less than \$929, the weekly benefit amount will be \$50.

When the amount of wages paid during the highest quarter of the base period is more than or equal to \$929 and less than one-third of the state average quarterly wage, the weekly benefit amount will be 70% of the highest quarterly wage, divided by thirteen (13), rounded up to the next higher whole dollar, subject to the maximum weekly benefit as determined under the CUIC.

When the amount of wages paid during the highest quarter of the base period is one-third or more of the state average quarterly wage, the weekly benefit will be the greater of (i) 23.3% of the state average weekly wage, or (ii) 60% of the highest quarterly wage, divided by thirteen (13), rounded up to the next higher whole dollar, subject to the maximum weekly benefit as determined under the CUIC.

JJ. "Surgical Clinic" means a clinic that (i) is not a part of and not operating under the license of a Hospital, (ii) is licensed by the state in which it operates, and (iii) provides treatment for patients who remain fewer than twenty-four (24) hours. A "Surgical Clinic" does not include the office of a private Physician.

KK. "Surgical Unit" means a unit, located in or operating under the license of a Hospital, that provides treatment for patients who remain fewer than twenty-four (24) hours. A "Surgical Unit" does not include emergency room facilities.

LL. "Twelve-month Period" means the 365 consecutive days that begins with the first day a covered employee first establishes a valid claim for PFL.

MM. "Voluntary Plan" means a voluntary plan established pursuant to Part 2 of the CUIC.



## **II. LEGISLATIVE DISCLOSURE**

This section displays the legislative updates that must be enacted as required by the California Unemployment Insurance Code.

- Senate Bill 951 revises the State Disability Insurance (SDI) and Voluntary Plan (VP) weekly benefit amount (WBA) formulas to a 70% to 90% wage replacement for periods of disability or paid family leave beginning on or after January 1, 2025.

Weekly benefit information for this plan may be found in Section V.

### III. COVERAGE

- A. Eligibility All California employees of the Employer in covered employment as defined in Section 2606 of the CUIC are eligible for coverage under the Plan.
- B. Effective Date of Coverage Eligible employees whose date of employment is on or before the effective date of the Plan are covered on the effective date. Those whose date of employment is after the effective date are covered on their date of employment. An eligible employee may reject coverage in writing. Any employee who has rejected coverage, or who has withdrawn from the Plan, and who subsequently elects, in writing to be covered under the Plan, will be covered on the first day of the Calendar Quarter that follows the date of such election.
- C. Termination of Coverage An employee's coverage will terminate:
1. At midnight of the date of termination of employment by termination of the employer-employee relationship, at midnight of the fifteenth (15th) day following the commencement of a layoff without pay (a permanent termination of the employment relationship is not a layoff for purposes of this provision regardless of the term used to designate it), or at midnight of the fifteenth (15th) day following the commencement of a leave of absence without pay (pay includes any benefits received under this Plan);
  2. On the date he or she ceases to be an eligible employee;
  3. On the first day of the Calendar Quarter following the employee's giving notice, in writing or other verifiable electronic means, of his or her intention to withdraw from the Plan;
  4. On the date of termination of the Plan; or
  5. On the date withdrawal of the Plan is approved.

If an employee establishes a Care Recipient Period while covered under this Plan, all subsequent claims for the same Care Recipient through the end of the Twelve-month Period will remain the liability of this Plan.

#### IV. ELIGIBILITY FOR BENEFITS

- A. Disability Waiting Period Disability benefits will begin on the earliest of:
1. the eighth (8<sup>th</sup>) consecutive day of Disability for each Disability Benefit Period provided the employee was examined by a Physician or Practitioner during that eight (8) day period;
  2. the first day of Hospital Confinement; or
  3. the first day of treatment in a Surgical Clinic or Surgical Unit of a Hospital provided the employee is disabled for at least eight (8) days as a result of the condition requiring treatment.
- B. Paid Family Leave Waiting Period PFL benefits will begin on the first (1<sup>st</sup>) day of the PFL Benefit Period.
- C. Disability Determination Except as provided below, the employee's Disability must be supported by a certificate from a Physician, Practitioner, a duly authorized medical officer of a United States government hospital or medical facility, or a registrar of a county hospital within the State of California. If the employee adheres to the teachings of a bona fide church, sect, denomination, or organization, and depends entirely upon prayer or spiritual means for healing, Disability may be supported by a certificate from a duly authorized and accredited practitioner of such bona fide church, sect, denomination or organization.

The certificates must contain (i) a diagnosis and diagnostic code prescribed in the International Classification of Diseases, or, where no diagnosis has yet been obtained, a detailed statement of symptoms, (ii) a statement of the medical facts within the Physician's or Practitioner's knowledge, based on a physical examination and documented medical history of the employee by the Physician or Practitioner, (iii) the Physician's or Practitioner's conclusion as to the employee's Disability, and (iv) a statement of the Physician's or Practitioner's opinion as to the expected duration of the Disability.

If, in accordance with Section 2629 of the CUIC, the employee submits evidence of receipt of temporary disability benefits under a workers' compensation law, such certificate will not be required.

- D. Paid Family Leave Determination
1. For the purpose of providing care to a sick or injured Family Member, an employee will be considered to have a valid claim for Paid Family Leave if he or she files a certificate from a Physician or Practitioner that establishes medical eligibility of the Serious Health Condition of the Family Member that warrants the care of the employee. The information provided must be within the Physician's or Practitioner's knowledge and must be based on a physical examination and documented medical history of the Family Member requiring care. The certificate must contain but is not limited to:
    - a. the name and date of birth of the Family Member requiring the employee's care;
    - b. diagnosis and diagnostic code prescribed in the International Classification of Diseases, or where no diagnosis has been obtained, a detailed statement of symptoms;

- c. the date, if known, on which the Serious Health Condition commenced;
- d. the probable duration of the Serious Health Condition;
- e. an estimate of the amount of time (days and hours per day) that the Physician or Practitioner believes the employee is needed to care for the Family Member;
- f. a statement that the Serious Health Condition warrants the participation of the employee to provide care for his or her Family Member. "Warrants the participation of the employee" includes, but is not limited to, providing psychological comfort, and arranging "third party" care for the Family Member, as well as directly providing, or participating in, medical care; and
- g. the Physician's or Practitioner's name, address, license number and signature.

If a Care Recipient in good faith adheres to the teachings of any bona fide church, sect, denomination, or organization, and depends for healing entirely upon prayer or spiritual means, the certificate of a duly authorized and accredited practitioner of that bona fide church, sect, denomination, or organization as to the Serious Health Condition of the Care Recipient that warrants the care of the employee, and the estimated duration of such needed care, will be accepted.

The employee (Care Provider) must provide information (as defined in Section 2706-2, Title 22 of the CCR) about himself or herself and the Care Recipient. This information includes but is not limited to (i) the employee's authorization for the Employer or the Employer's authorized claims administrator to disclose the employee's information to the Care Recipient's treating Physician or Practitioner, the Care Recipient, the California Employment Development Department or the California Unemployment Insurance Appeals Board, and (ii) the Care Recipient's or authorized representative's signature authorizing the treating Physician or Practitioner to release protected health information to the employee (Care Provider), the Employer or the Employer's authorized claims administrator, the California Employment Development Department or the California Unemployment Insurance Appeals Board.

2. For the purpose of Bonding with a New Child, an employee will be considered to have a valid claim for Paid Family Leave if he or she files a claim and supporting documentation which provides sufficient evidence of (i) the relationship between the employee and the child, and (ii) the birth, adoption or foster care placement of the child. The supporting documentation shall contain but is not limited to:
  - a. the child's full name, date of birth, gender, and, if applicable, date of placement;
  - b. any of the following to verify the birth of a child: (i) a photocopy of the child's certified birth certificate listing the employee as a parent (ii) a photocopy of the completed hospital or birthing center documents attesting to the birth of the child listing the employee as a parent, or (iii) a letter from the birthing center's or hospital's Director of Medical Records or their designate containing all the information in subparagraph a above plus the full name of the mother, the full name of father, if known, or registered Domestic Partner, and a dated signature of the treating Physician or midwife, or Director of Medical Records, or their designate as appropriate;

- c. for paternal, non-spouse Bonding claims (where the employee is not named on one of the documents listed in the paragraph immediately above), a photocopy of California Department of Child Support Services form *Declaration of Paternity*, CS-909, or equivalent proof of paternity;
- d. any of the following to verify adoption: (i) a photocopy of the Department of Social Services form *Notice of Placement*, AD-907, (ii) a photocopy of the Department of Social Services form *Independent Adoption Placement Agreement*, AD-924, (iii) a photocopy of a court order for placement for adoption issued within the United States, (iv) a photocopy of the child's adoption certificate from a foreign country's competent local authority with a notarized English translation, or (v) a statement on letterhead from a county, state or equivalent government or private entity that provides adoption placement containing all the information in subparagraph a above plus residence address where child is placed and full name(s) of adoptive parent(s) including such person's residence address and date of birth. The statement must also include the dated signature, typewritten name and direct telephone number of the social worker, director or designate making the placement or, in lieu of such information on the statement, an official certification, seal or stamp of approval may be accepted; and
- e. any of the following to verify foster care placement: (i) a photocopy of the Department of Social Services form *Approval of Family Caregiver Home*, SOC-815, or (ii) a statement on letterhead from a county, state, or equivalent government or private entity that provides foster care placement stating all the information in subparagraph a above plus resident address where the child is placed, date of foster care placement including the length of time of the placement if duration has been established, full name(s) of person(s) with whom the foster care placement is made, including such person's residence address and date of birth. The statement must also include the dated signature, typewritten name and direct telephone number of the social worker, director or designate making the placement or, in lieu of such information on the statement, an official certification, seal or stamp of approval may be accepted.

PFL eligibility is limited to the first year after the birth, adoption, or foster care placement of the New Child.

3. For the purpose of leave related to a Qualifying Exigency, an employee will be considered to have a valid claim for Paid Family Leave if he or she files a claim and supporting documentation which provides sufficient evidence of (i) the appropriate facts regarding the Qualifying Exigency; (ii) start and end dates of the requested leave period (including frequency and duration for intermittent leave); (iii) if meeting with a third party, contact information for the individual or entity; and, (iv) a copy of the rest and recuperation orders, if applicable. The supporting documentation includes but is not limited to:
  - a. a notification of an impending call or order to covered active duty of a Family Member; a copy of the Family Member's active duty orders or other documentation issued by the military; a statement or description, signed by the employee, of appropriate facts related to the Qualifying Exigency; a copy of a meeting announcement for informational briefings sponsored by the military; a document confirming an appointment with a counselor or school official; or, a copy of a bill for services for the handling of legal or financial affairs.

E. Exclusions

1. General No Disability or PFL benefits are payable under the following conditions:

- a. No benefits are payable for any Disability Benefit Period or Care Recipient Period that does not begin while the employee is covered under the Plan.
- b. No benefits are payable for any period of Disability or PFL for which benefits are paid or payable under any unemployment compensation act of the United States or of any state.
- c. No benefits are payable for any day for which the employee receives wages or regular wages from his or her employer, except that benefits will be paid for any seven (7) day week or partial week in an amount not to exceed his or her maximum weekly benefit, or applicable portion thereof, which, together with the wages or regular wages received, does not exceed the wage earned, exclusive of overtime pay, in the last full week of work immediately prior to the commencement of his or her Disability or PFL.
- d. No benefits are payable if a determination is made that the employee has willfully, for the purpose of obtaining benefits, either made a false statement or representation, with actual knowledge of the falsity thereof, or withheld a material fact in order to obtain any benefits under this Plan. This exclusion will apply to benefits from the date such determination is made and for not less than seven (7) or more than thirty-five (35) subsequent days. If there is a recurrence of the same exclusion, subsequent to the initial exclusion during such period, the period excluded will be extended for an additional period not to exceed fifty-six (56) days.
- e. No benefits are payable to an individual who is incarcerated in any federal, state or municipal penal institution, jail, medical facility, hospital (public or private) or in any other place because of a criminal conviction under a federal, state or municipal law or ordinance.
- f. No benefits are payable for any day of unemployment and Disability or PFL for which the employee receives, or is entitled to receive, benefits in the form of cash payments under a workers' compensation or employer liability law of this state or any other state or of the federal government for (i) temporary disability indemnity or (ii) permanent disability indemnity for the same injury or illness; except that if the amount of such cash payment for temporary or permanent disability indemnity is less than the amount he or she would otherwise receive as benefits under this Plan.

2. Disability No Disability benefits are payable under the following conditions:

- a. No benefits are payable for any period of Disability while an employee is confined by court order or certification as a dipsomaniac, drug addict, or sexual psychopath.
- b. No benefits are payable to an individual whose Disability is caused by, or arises out of, either the commission of a crime resulting in a felony conviction, or the arrest, investigation or prosecution pursuant to such crime.
- c. No benefits are payable for any day (i) on which the Disability is not supported by a certificate from a Physician, Practitioner, or other person authorized to certify

Disability, or (ii) prior to the seventh (7<sup>th</sup>) day before the employee was examined by a Physician or Practitioner during the Disability Benefit Period.

3. Paid Family Leave No PFL benefits are payable under the following conditions:
  - a. No benefits are payable for any day of unemployment and PFL for which the employee receives, or is entitled to receive, state disability insurance under the disability benefit act of this State or any other state or any company plan established in lieu of a state plan.
  - b. No benefits are payable for any day for which another Family Member is ready, willing, able and available for the same period of time that the employee is providing the required care. No more than one (1) Care Provider may claim benefits for providing care in any eight-hour (8-hour) period and no more than three (3) in a twenty-four-hour (24-hour) period.

## V. BENEFITS

- A. Amount and Duration of Disability Benefit The weekly benefit payable hereunder will be the higher of (i) eighty percent (80%) of weekly Earnings but not more than \$1,681, or (ii) the weekly benefit rate as determined by the California Employment Development Department (State Rate); provided, however, that benefits will be paid at the State Rate, if higher, for any day on which the employee would have been eligible to receive benefits from the California Employment Development Department but for the employee's coverage under this Plan.

For each day of any period of Disability for which benefits are payable and which is less than a full week, the amount of benefit payable will be one-seventh (1/7) of the amount of the weekly benefit.

The maximum benefit payable during any one Disability Benefit Period will be fifty-two (52) times the weekly benefit payable. However, if an employee has been referred or recommended by competent medical authority to participate as a resident in an alcohol or drug abuse treatment facility, or to participate in an approved outpatient program for alcohol or drug treatment, the maximum number of days for which benefits are payable will be ninety (90).

- B. Amount and Duration of Paid Family Leave Benefit The weekly benefit payable hereunder will be the higher of (i) eighty percent (80%) of weekly Earnings but not more than \$1,681, or (ii) the weekly benefit rate as determined by the California Employment Development Department (State Rate).

For each day of any period of PFL for which benefits are payable and which is less than a full week, the amount of benefit payable will be one-seventh (1/7) of the amount of the weekly benefit.

The maximum benefit payable for PFL during any Twelve-month Period will be twelve (12) times the weekly benefit.

- C. Limitations to the Amount of Benefit

1. Benefits will be limited to the State Rate (weekly amount and maximum benefit) if:
  - a. the Disability Benefit Period or PFL Benefit Period begins during the extended coverage period following the commencement of a layoff without pay or a leave of absence without pay;
  - b. you have been employed for fewer than 90 days at the time your Disability Benefit Period or PFL Benefit Period begins; or
  - c. the employee declines alternative employment offered by the Employer that is within the employee's physical and mental capabilities and is comparable in status and compensation to the employee's former occupation; provided, however, this limitation will apply only with respect to an employee with a Disability; or

- D. Reduction of Benefits in Excess of State Rate Benefits in excess of the State Rate (weekly amount and maximum benefit) will be reduced by the amount of any benefits that are available



to the employee, the employee's spouse, or the employee's child (whether or not such benefits are applied for) from the following sources:

1. primary and dependent disability or retirement benefits under the federal Social Security Act; provided, however, that any increase in such benefits due to a cost-of-living adjustment pursuant to Section 230, Title II of the Act, will not serve to further reduce the benefit payable under this Plan;
2. any amounts awarded to or allocated for the employee, net of reasonable attorney's fees and amounts allocated for the payment of medical expenses, under any workers' compensation Law, occupational disease law, or any other legislation or law of similar purpose. Any amount awarded or paid in a lump sum that represents payment for a specified period will be prorated over that period. If the amount awarded or paid in a lump sum does not represent payment for a specified period, or if such specified period cannot be determined, the lump sum will be prorated over a period of fifty-two (52) weeks.

If an employee is or might be entitled to any of the above-itemized benefits, the full Plan benefit will be paid upon receipt by the Employer of (i) evidence that the employee has applied for such benefits, and (ii) an executed agreement to reimburse the Plan, up to the amount of payments made in excess of the State Rate, immediately upon receipt of such benefits.

If an employee fails to apply for any of the above-itemized benefits to which he or she might be entitled, the Plan benefit will be reduced by an estimated amount of the benefits that the employee would have received had application been made. Determination of the amount of such benefits will be made by the Employer.

In the event an employee is injured through the acts or omissions of another person or organization, benefits in excess of the State Rate (weekly amount and maximum duration) will be provided only on condition that the employee agree in writing to the following:

1. to reimburse the Plan for the lesser of (i) the full amount of payments that are in excess of the State Rate, or (ii) the amount of any award (net of his or her reasonable expenses in collecting such amount including, if applicable, reasonable attorney's fees and net of any amounts that are allocated by terms of any judgment for the payment of unreimbursed medical expenses) pursuant to any judgment in, or settlement of, an action at law, arbitration, claim, or other proceeding to determine his or her rights of recovery arising out of his or her injury; he or she will execute and deliver instruments and papers and do whatever else is reasonably necessary to secure the rights of the Plan to reimbursement immediately upon receipt of such an award, and he or she will do nothing to prejudice such rights;
  2. to provide the Plan with a lien on the proceeds described in the preceding paragraph, to the extent of the full amount of payments that are in excess of the State Rate; and
  3. to provide the Plan with a credit against payments to be made in the future under the Plan equal to the proceeds described above, less any amount paid to the Plan by way of reimbursement.
- E. Simultaneous Coverage In case of any period of Disability or PFL for which an employee entitled to benefits hereunder is simultaneously covered by one or more other plans (including Voluntary Plans and the State Disability Fund), and accordingly is entitled to other

unemployment compensation disability benefits or family temporary disability benefits on account of the same Disability or PFL, the amount payable under this Plan for such period of Disability or PFL will be:

1. the amount, if any, by which the benefits to which the employee otherwise would have been entitled under this Plan exceeds the benefits to which he or she would have been entitled under the CUIC if he or she were not covered by any Voluntary Plan; plus
  2. the quotient of the amount of benefits to which the employee would have been entitled under the CUIC if he or she were not covered by any Voluntary Plan divided by the number of plans (including Voluntary Plans and State Disability Fund) under which he or she is simultaneously entitled to benefits.
- F. Redirection of Benefits An employee eligible to receive benefits under this Plan may choose to redirect a portion of his or her weekly benefits to cover all or part of the costs of employee-paid benefits. To execute this option, the employee must designate in writing, on a form available from the Employer, the weekly amount to be so redirected. This redirection may be initiated at the time the employee applies for Plan benefits or any time while receiving Plan benefits. The employee may terminate, or change the terms of, the redirection at any time while receiving Plan benefits.
- G. Overpayments In the event the calculation of a benefit under the Plan results in an overpayment to the employee, the employee will be required to repay such overpayment to the extent permitted under the CUIC and the CCR. The Employer will make reasonable arrangements with the employee or his or her legal representative(s) for the repayment to the Plan, including, but not limited to, the reduction of future benefits under the Plan or the reduction of future pay from the Employer as allowed under the CUIC and the CCR.

**VI. CONTRIBUTIONS**

Effective January 1, 2025, the required employee contribution will be 1.2% of calendar wages with no maximum contribution.

Any required contributions will not exceed the amount authorized by Section 3260 of the CUIC.

## VII. CLAIMS

Claim forms may be obtained by contacting The Larkin Company, the leave and claims administrator appointed by Hitachi, at (650) 938-0933 or toll-free at (866) 923-3336; or by emailing [HitachiLeaves@thelarkincompany.com](mailto:HitachiLeaves@thelarkincompany.com).

After the employee (or his or her legally authorized representative as defined in Sections 2705 and 2705.1 of the CUIC) and his or her Physician, Practitioner, or other person authorized to certify Disability or PFL and, for PFL, the Care Recipient (or his or her authorized representative as defined in Section 3302-1 of the CCR) have completed and signed the required sections of such forms, they should be submitted via a postal service or electronically to The Larkin Company. Except for good cause, a claim must be filed within forty-five (45) days following the first compensable day of Disability or PFL.

An employee who files a claim will receive a Notice of Computation (DE429D) from the State which shows the minimum amount he or she should be paid. Employees should note the wage quarters used by the State to compute the amount. If an employee was in military service, received workers' compensation benefits, or did not work because of a trade dispute during his or her base period, he or she may be able to substitute wages paid in prior quarters to make the claim valid or increase the benefit amount. If the claim is invalid because of extended unemployment during his or her base period, the employee may also be able to substitute wages paid in prior quarters to make the claim valid.

Under the provisions of the CUIC, the Employer or its authorized administrator will have the right to (i) require supplemental forms from the Physician, Practitioner, or those authorized to certify disabilities or PFL as often as deemed necessary, and (ii) require that the employee or the Care Recipient be examined by a Physician or Practitioner chosen by the Employer. This may be done when and as often as may be reasonably required during the period payments may be due under this Plan.

## **VIII. COMPLIANCE**

The Employer hereby guarantees that each employee covered by this Plan will, in all respects, be afforded rights at least equal to those afforded by the State Disability Fund and will receive a weekly rate and maximum amount and duration of benefits at least equal to those which he or she would have received from the State Disability Fund but for coverage by this Plan.

## **IX. APPEALS**

### ***A. Appeal of Denial of Disability and/or PFL Benefits***

An employee who is denied benefits under the terms of this Plan may appeal the denial within thirty (30) days following the date the notice of denial was mailed. An employee may also appeal if he or she does not receive notice denying benefits within thirty (30) days after the claim was sent to the Voluntary Plan. In such cases, the employee must file the appeal no later than sixty (60) days from the date the claim was sent to the Voluntary Plan. In both cases of denial and lack of notice of denial, the employee must send the appeal to the EDD for processing. The EDD, although a party to any appeal, generally does not attend this type of hearing. Appeals for the denial of Disability benefits may be made in person or in writing at any office of the Employment Development Department. Appeals for the denial of PFL benefits must be sent to:

Paid Family Leave  
PO Box 997017  
Sacramento, CA 95899-7017

### ***B. Payment of Benefits Pending Appeal***

As provided in California Code of Regulations, an employee may elect to continue to receive Disability or PFL benefits pending the outcome of a timely appeal to an administrative law judge when the Voluntary Plan had determined the employee initially eligible and subsequently found the employee to be ineligible.

### ***C. Disputed Coverage Appeals***

An employee, the EDD, or the Voluntary Plan may appeal a denial of coverage for Disability or PFL within thirty (30) days following the date the notice of denial was mailed.

In disputed coverage cases in which a denial of coverage is not furnished, an appeal may be filed after twenty-five (25) days but no later than fifty-five (55) days from the date the appellant sends a request for payment of benefits to the EDD or Voluntary Plan. If eligible, the employee will be paid benefits by the plan that initially received the claim, pending disposition of the disputed coverage appeal.

## **X. OTHER REQUIREMENTS**

- A. Security as required by the Employment Development Department will be deposited to secure the operation of the Plan. The amount of the deposit will be determined by the Department and will be deposited with the State Treasurer for the purpose herein specified.
- B. The Employer agrees to furnish to the Employment Development Department the information, reports, and records as are required for the proper administration of the Plan.
- C. The Plan or the Employer will pay all valid assessments or charges levied by the Employment Development Department in accordance with the CUIC.
- D. The Plan will continue in effect for a period of one year from the effective date and continuously thereafter unless thirty (30) days' advance written notice is given of the termination of the Plan. Termination will be effective only on the anniversary of the effective date of the Plan next following the filing of the notice; except that the Plan may be terminated on the operative date of any law increasing the benefit amounts provided by Sections 2653 and 2655 of the CUIC, or the operative date of any change in the rate of worker contributions as determined by Section 984, if notice of such termination of the Plan is transmitted to the Employment Development Department not less than thirty (30) days prior to the operative date of such law or change. If the Plan is not terminated on such thirty (30) day notice because of the enactment of the law increasing benefits or because of a change in the rate of worker contributions as determined by Section 984, the Plan will be amended to conform to such increase or change on the operative date of the increase or change.
- E. An employee who is entitled to leave under the Family and Medical Leave Act (FMLA) and/or the California Family Rights Act (CFRA) or any other California law that provides similar protections must take Paid Family Leave concurrently with the leave taken under the FMLA, CFRA, or any similar California law.

## **XI. MISCELLANEOUS**

The adoption and maintenance of the Plan will not be considered to be a contract between the Employer and any employee. Therefore, no provision of the Plan will give any employee the right to be retained in the employ of the Employer or to interfere with the right of the Employer to discharge any employee at any time, irrespective of the effect such discharge may have upon an employee as a participant or prospective participant under the Plan. In addition, no provision of the Plan will be considered to give the Employer the right to require any employee to remain in its employ, or to interfere with any employee's rights to terminate his or her employment at any time.

An employee's rights to benefits under this Plan do not provide any form of job protection rights.